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## REPORT

of the

## COMMITTEE

Appointed to carry out an Investigation into the  
Existing Facilities in connection with

# UNEMPLOYMENT OF EX-SERVICE MEN

and Care and Maintenance while Unemployed, and  
to report thereon with such suggestions  
and recommendations as may  
be deemed advisable



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Hon. J. D. HYNDMAN, Chairman  
Col. C. B. PRICE, D.S.O., D.C.M., V.D.  
W. B. WOODS, Esq.

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OTTAWA  
J. O. PATENAUDE, I.S.O.,  
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY  
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**Report of the Committee, appointed to carry out an investigation into the existing facilities in connection with unemployment of Ex-Service Men, and care and maintenance while unemployed, and to report thereon with suggestions and recommendations as may be deemed advisable.**

OTTAWA, May 23rd, 1935.

To: The Honourable DONALD M. SUTHERLAND, D.S.O.,  
Minister of Pensions and National Health,  
Ottawa, Ontario.

By an Order in Council of the 12th March, 1935, it was provided as follows:—

"The Committee of the Privy Council have had before them a report, dated 12th March, 1935, from the Minister of Pensions and National Health, stating that on the 23rd January, 1935, representations were made by the Canadian Legion of the British Empire Service League, following a survey by that organization into the problem of unemployment in the ranks of ex-service men, that steps be taken by the Government to formulate some scientific scheme of rehabilitation for these men and, in consultation with the veteran bodies, to endeavour to find some satisfactory remedy for the existing conditions:—

Pursuant to the foregoing, the Minister recommends as follows:—

1. That a Committee consisting of the following three members be appointed to consider the attached representations of the Canadian Legion, submitted on the 23rd January, 1935:—

The Honourable Mr. Justice J. D. Hyndman, Ottawa,  
Col. C. B. Price, D.S.O., D.C.M., V.D., Montreal,  
W. B. Woods, Esquire, Toronto.

2. That the said Committee be empowered to carry out an investigation into existing facilities for the provision of employment for ex-service men, for care and maintenance while unemployed, and to report thereon with such suggestions or recommendations as may be deemed advisable.
3. That there be paid to the members of the Committee actual railway transportation expenses, plus a per diem allowance of \$15 to cover all other expenses when attending the meetings of the Committee, or when carrying out an investigation, away from their place of residence.
4. That, should it be found necessary by the Committee to call witnesses, the said witnesses be paid actual railway transportation expenses, plus actual expenses incurred for meals and hotel accommodation.
5. That the Department be authorized to place at the disposal of the Committee any necessary facilities for the conduct of its work, including stenographic and other assistance.
6. That all costs incurred under this authority be paid from the operating appropriation, Vote No. 196, 1934-35, and Vote No. 186, 1935-36.
7. That the Report of the Committee be submitted to the Minister of Pensions and National Health at as early a date as possible.

The Committee concur in the foregoing recommendations and submit the same for approval.



Pursuant to the authority and power vested in us by the said Order in Council, your Committee proceeded to investigate and hear representations or complaints from soldier bodies, both orally and in writing.

Open, public sessions were held in the cities of Ottawa, Toronto, Montreal and Verdun, at which places representatives of soldier bodies from all parts of Canada appeared before us. A list of these will be found in the appendix hereto. Copies of the evidence and briefs submitted have been filed with the Secretary of the Department.

We also interviewed many of the Departmental officials, who gave us much useful information and co-operated with us in every possible way.

Reference to the said Order in Council will disclose that our task was to examine into the existing facilities for the provision of employment for ex-service men; for care and maintenance whilst unemployed, and to report thereon with such suggestions and recommendations as may be deemed advisable. The Order in Council was the result of representations made by the Canadian Legion of the British Empire Service League, following a survey by that organization into the problem of unemployment in the ranks of ex-service men, and a request that steps be taken by the Government to formulate some scientific scheme of rehabilitation for these men, and, in consultation with the veteran bodies, to endeavour to find some satisfactory remedy for the existing conditions.

Before discussing the questions submitted to us, it is perhaps not out of place to refer to what has been done by the Government in the interests of veterans since their discharge from the army, apart altogether from the direct cost of the war. The following is an approximate statement of expenditure up to the 31st December, 1934:—

Pensions to ex-soldiers and Dependents....	\$615,488,891.19	
Workmens' Compensation .....	494,341.77	
Relief .....	14,803,778.39	
War Veterans' Allowance.....	5,862,458.11	
Last Post Fund.....	290,950.68	
Other Departmental expenditures including compensation, treatment, Vocational training, etc. ....	214,869,884.48	
		\$851,810,304.62
Soldiers' Land Settlement, gross loans.....	144,532,488.58	
Less repaid .....	51,819,501.82	
	92,712,986.76	
Cost of Administration.....	22,199,347.00	114,912,333.76
Total .....		\$966,722,638.38
Gratuities to Soldiers at termination of War .....		\$165,000,000.00
		<u>\$1,131,722,638.38</u>

These figures are, we think, incontrovertible evidence that Canada has cared for her soldiers in no parsimonious way, and this is admitted on all sides. There is undoubtedly a feeling in some quarters that the country has more than fulfilled her obligations, and that, especially at this distance from the war, further assistance beyond pensions is unwarranted. To a certain extent this attitude is understandable in view of the general financial situation. However, no consideration of the subject, in our opinion, can be regarded as complete, unless the actual conditions of service and the experiences of the troops in France, Belgium and other theatres of war, are recalled to memory.

Those who contracted disabilities as a result of those harrowing experiences, it is agreed on all sides, must be cared for and not allowed to suffer distress resulting from economic conditions such as now exist, and reasonable assistance should be extended to them.



Those whose disabilities have been recognized have been awarded pensions, but the more difficult problem involves the soldiers who underwent the same general experience as the pensioners, but who fortunately escaped disease or injury and now find themselves unemployed and destitute. Though never wounded, but having done their "bit," many are equally handicapped by disabilities which, though incapable of proof as such, may be the effect of service, and we think it is not unreasonable to say that they also are entitled to sympathetic consideration.

We cannot subscribe to the contention that following alleged promises at the time of enlistment, assistance is to be regarded as a "matter of right." Such a contention would, we think, detract from the glory of service which practically all soldiers regard as their most cherished possession. However, we are of the opinion that Canada as a whole would shrink from any policy which would permit these unemployed non-pensioners to remain in want and dire distress, as some of them undoubtedly do, and would approve of reasonable assistance being extended to them during temporary unavoidable idleness, until such time as occupations suitable to their ability can be found.

Similar reasoning hardly applies to the case of those who never left the shores of Canada and who, during home service, suffered no disability. Those with recognized disabilities are already provided for.

It has been very difficult to ascertain with any degree of accuracy the number of unemployed ex-service men, but, after hearing many opinions on the point, we are inclined to the view that the number with overseas service, pensioners and non-pensioners, would be in the neighbourhood of 38,000, exclusive of Imperial ex-service men variously estimated at between 10,000 and 15,000.

The total number of enlistments in the Canadian Expeditionary Force was 619,636 of whom 193,105 did not leave Canada, leaving 426,531 who proceeded Overseas. Of this number, roughly 60,000 were killed or died during service and it is estimated that 25,000 have died since. That is, there are still living 341,500 who left Canada, of whom 74,500 are pensioners, leaving a balance of 267,000 non-pensioners. Of this number again, approximately 15 per cent are residing outside of Canada so that the number of non-pensioners residing in Canada may be estimated at roughly 227,000. It is believed that approximately 13 per cent of this number, or 29,500, are receiving relief assistance from municipalities, in addition to 8,500 pensioners on Departmental relief. It is also estimated that approximately 9,000 ex-members of the C.E.F. and 2,500 Imperials on municipal relief are receiving assistance in a lesser sum than is hereinafter proposed as a new basic rate. An average of \$10 per month per veteran would probably be required to augment municipal relief to the new basic rate in these cases.

General Alex. Ross, whose efforts were largely responsible for the appointment of your Committee, in his very able presentation on behalf of The Canadian Legion, impressed upon us that, whilst the unemployment which has prevailed during recent years is to a large degree the result of world conditions, the ex-service men, especially the pensioners, are more acutely affected than the rest of the community, that even with the return of normal conditions, it will be very difficult for many of them to be absorbed, speedily or profitably, into industry, their problems being different in many respects from the general problem. He advanced the following reasons as the basis of this conclusion:—

- (1) During these years of depression there has grown up a great army of youth, rightfully clamouring for admission to trade and industry, and capable of rendering efficient service.



- (2) The unemployed ex-service man has to meet this competition, subject to certain handicaps:—
- (a) The average age of the group is believed to be approximately 47 years.
  - (b) By enlisting for service, he gave the best formative years of his life to the service of his country, and while he may have returned physically unimpaired, yet he sacrificed opportunity.
  - (c) There is a large proportion of *unskilled labour*. Thousands of boys between the years of 16 and 18 rushed from school to the forces. For years, their every move was ordered and they returned grown men, totally unacquainted with the struggle for economic existence, and yet, class conscious in their pride as fighting men, unprepared for the new discipline of economic training.
  - (d) Many of them suffer from war disabilities.
  - (e) The Parliament of Canada, in accepting the War Veterans' Allowance Act, accepted the principle that there were intangible disabilities resulting from nervous or other form of strain, and 3,069 ex-service men under the age of 60 were classified as permanently unemployable.
  - (f) In the keen competition for trade, the employer of labour, if he is to hold his own, must employ efficient and economical labour. Aging men with little training and physical disabilities are not that class of labour.

In the course of our investigation, these representations were substantially verified by the evidence of others, and also by what we, ourselves, observed.

Assuming that such is the situation and that many of these unemployed ex-service men are victims, directly or indirectly, of the war, the Legion requested that the following be carried out:—

- (1) Re-organization of the present system of pensioners' relief, to provide adequate maintenance, coupled with medical care and clothing;
- (2) The establishment of effective agencies to supplement the assistance granted, to provide for a speedy absorption of as many as possible into some form of work;
- (3) The establishment of social centres for rehabilitation, along the lines adopted in Great Britain;
- (4) Extension of the benefits of the War Veterans' Allowance Act as a measure of temporary relief, pending development of a larger scheme.

In the statements and arguments, oral and written, which were presented to us, the dominant note was that the primary desire of the soldiers was the securing of employment, rather than relief or financial assistance, this latter being of secondary import. General Ross in his submissions, stated:—

It should be clearly understood that the Canadian Legion is not asking for any permanent system of doles or "hand-outs" for these men. What is desired is that as men, who have seen service, they should be given an opportunity to work to the extent of their capacity and the opportunity of bringing up their families without the stigma of pauperism. For these reasons, therefore, in approaching a solution of the problem the following principles should be borne in mind:—

- (a) That a man who answered his country's call and saw service should be entitled, as of right, to remunerative employment, and failing such employment, to adequate maintenance, providing he has the will to work.



- (b) That ample facilities should be afforded to assist able bodied men to get back into industry, and for that purpose preferences existing should be maintained and extended.
- (c) That every pensioner, unemployed through no fault of his own, should receive adequate maintenance while unemployed, with special facilities to provide employment of a character within his capacity.
- (d) That every ex-service man who, by physical incapacity, is incapable of employment in his vocation should be cared for until provision can be made to utilize his remaining strength in some profitable manner.
- (e) *All subject to the general principle that he who will not work, at work within his capacity, and available, should receive little consideration.*

Summary:—From the foregoing the Canadian Legion submits that it has established that the unemployed ex-service man is in a position entirely distinct from that of the remainder of the community and that his case should be considered, subject to the principles we have outlined, and special remedial measures devised to meet the case of the ex-service men.

In the course of our investigation, many schemes were suggested as methods to provide employment, amongst others, Vetract Shops, businesses such as the Poppy Fund in Toronto, market gardens in the outskirts of towns and cities, small land holdings adjacent to towns and cities, land settlement schemes, community centres, community farms, the establishment of corps of commissionaires in the larger cities, the collection of radio license fees, work in connection with reforestation, clearing of land and surface stripping in the mining areas, especially in Northern Ontario, etc., etc.

No single scheme would be suitable for the whole body of the unemployed with whom we are dealing, or even a considerable number thereof, and careful selection would be necessary in every instance, both as to the individual and the scheme. In theory, it sounds plausible that urban dwellers could profitably be placed on small holdings outside cities or on farms, but experience has shown that many of those who have lived in cities all their lives, especially after reaching the average age of 47, would be quite inadapted to these very different conditions, and any rash outlay on such enterprises would probably result in loss and disappointment. Before inauguration of any such plans, many factors, including the character and ability of the man himself, would have to be most carefully enquired into and analysed. We desire it to be clearly understood, however, that we are optimistic that after proper consideration, and under careful guidance, many of these ideas can be successfully put into effect.

In the early post-war period, due to a natural enthusiasm on the part of the Canadian people, returned soldiers were absorbed into the ordinary avenues of trade and industry with little difficulty, the majority being restored to their former positions, or new ones found for them. In the course of time, however, with a new generation growing up, the enthusiasm waned, and, under the world-wide economic conditions which have existed, particularly during the last few years, the ex-soldier, especially if he has suffered impairment in his capacity or ability to work, has been adversely affected as regards employment. The competition from the younger generation has increased, ordinary industry naturally preferring younger, more able-bodied men, to the older and partially impaired veterans. Even though still fully competent to do work in their own particular avocations, there nevertheless exists today an unconscious prejudice against employing them, for various natural and practical reasons. In many instances employers refrain from engaging the services of an ex-soldier, not



because of lack of sympathy, but from the fear that, should they employ him and he afterwards prove unsatisfactory, it would be distasteful to have to discharge him. Such difficulties stand in the way of ex-soldiers securing employment, and lend force to the argument that, in view of their service during the war and especially if long years were spent in France, or other theatres of war, the Dominion Government should afford them some assistance towards rehabilitation.

It was brought to our attention, and we are satisfied that such is the fact, that many of these unemployed ex-service men, though well on in years, are still capable of performing good service, but prevailing conditions necessitate that special posts be found for them. A man between 45 and 55 years of age is naturally considered to be beyond the age when he can be trained, as it is realized that in many cases, just when he becomes most valuable from the standpoint of experience, it would be almost time for his retirement. This principle most certainly applies to such institutions as banks and insurance companies, as well as to many departments of Governments,—Dominion, Provincial and Municipal.

In order to meet these handicaps, it was forcibly impressed upon us that some special organization should be set up to care for the interests of ex-soldiers, to ensure fair treatment in natural competition and to seek out new avenues of employment for them.

It would be impossible for your Committee to deal specifically with any schemes, but in order that the problem may receive proper study towards a satisfactory solution, we have concluded that there should be appointed a Commission, preferably of three persons, voluntary if possible,—one to be nominated by the Canadian Legion and the Army and Navy Veterans, one by the Canadian Chamber of Commerce, and the third by the Government, the Government to name the Chairman thereof,—for a period of, say, eighteen months, during whose tenure of office a complete survey of veteran problems may be made and possibly some general and individual schemes inaugurated, with the object in view of satisfying the veterans' desire for useful employment and maintaining their self respect and morale.

The establishment which is to be set up under the Employment and Social Insurance Act might very profitably be utilized with little added expense, and, for the purpose of insuring needful co-operation, the Chairman of the Commission should be appointed as an ex-officio member of the Council, and other convenient arrangements made in the different branches under that Act.

During the life of the Commission, voluntary organizations could be promoted by it in all important centres, with which we are assured veteran bodies would gladly co-operate. From time to time it would doubtless be in a most favourable position to offer valuable recommendations to the Government as to continuation of the work.

Some time ago an Order-in-Council was passed, recommending that in all contracts for public works under the Federal Government, a percentage of veterans be employed. No definite percentage was mentioned. We are therefore recommending that a stipulation should be included in such contracts that, if available, at least 15 per cent of the men employed be ex-service men.

Vigorous complaints were registered that few veterans, if any, are employed by the Montreal Harbour Commission, which, if true, would appear to be unreasonable. We have been unable to ascertain from the Veteran Organizations just what is the true situation in this regard but we have been informed, on reliable authority, that the number of ex-service men so employed is about 12 per cent of the entire personnel. We think, however, that the matter is sufficiently important to be brought to the attention of the Department of Marine, under whose jurisdiction this Commission operates. Similar complaints were made with regard to the meagre employment of veterans on jobs outside



the control of the Civil Service Commission on canals, especially in the vicinity of Montreal. This also might well be inquired into by the Department of Railways and Canals.

At our meeting in the city of Verdun, it was alleged that veterans who had been employed on the Canadian National Railways, and its predecessors, and who had obtained leave of absence to enlist, on their return from overseas found that others junior to them, who had remained at home, had obtained seniority over them. They feel that they have thus been penalized because of their service. We were informed that this grievance has been a live one for many years, and has been the subject of frequent discussion between soldier bodies, labour unions and the Railway management, but up to the present no satisfactory solution has been found. We are suggesting that an inquiry be made into this matter, so that if any injustice in fact exists, it may be rectified. Owing to the numerous intricate and delicate questions involved, we do not feel competent to make any comment on the injustice, or otherwise, of the situation.

Complaints were presented to us that, in certain Post Offices, non-veteran, part-time permanent men who were engaged in private occupations throughout the day, notwithstanding the provisions of the Civil Service Act, were employed at night, and at a time when only a comparatively few hours' work a week was given to veterans who were also part-time employees and who could competently do the work and thus increase their earnings. It was also suggested that when seasonal full time temporary jobs develop, the part time permanent staff should be transferred to full time and the casual staff given the part time work. We think these are matters which should be inquired into and if injustices exist, the same should be remedied.

The second phase of our enquiry has to do with the care and maintenance of ex-service men during unemployment.

Under Pension legislation, all ex-soldiers who suffer from recognized war disabilities are entitled to pension. Little complaint or trouble has arisen, in regard to pensioners with disabilities of 30 per cent and upwards, but in the case of smaller pensioners, due to various causes, mainly the world-wide depression resulting in general unemployment, many of these have found it difficult, if not impossible, to earn a living in the normal way. About the year 1921, conditions of this nature, fortunately to a much smaller extent than at present exist, prompted the Government to provide so-called departmental "relief" for the latter class of pensioners, by supplementing their pensions up to an amount at that time considered sufficient to ensure at least the absolute necessities of life, including food, fuel, light and shelter. This practice with modifications is still being followed, so that in all cases where these pensioners become unemployed and fall into destitute circumstances, the Federal Government, through the Department of Pensions and National Health, supplements their pensions to bring them up to a scale considered to be a fair living allowance, but has not extended these benefits to the non-pensioners who, when unemployed, must look for assistance to their own municipalities, or to the provincial authorities.

At the time this form of relief was first provided, municipal or provincial relief existed on a very limited scale. The Departmental policy at that time was necessarily based on the proposition that these pensioners, having honourably served in the war and having fallen into destitute circumstances, should be relieved from actual want.

In the course of time, when unemployment, due, as already mentioned, largely to world conditions, became general, provinces and municipalities realized the necessity of making provision on a large scale for relief to their needy families, but, they looked upon the unemployed pensioners as a Federal responsibility and disclaimed any such duty towards them or their families.



Submissions have been made to us from widely separated sections of Canada, that the scale of relief granted in many of the smaller, and some of the larger municipalities, is insufficient. The practice of the Department has been to grant to pensioners not less in any case than the municipal rate, and, in some instances, recognizing that the latter was too low, it has adopted a higher scale working from a certain basic rate. In our judgment this basic rate is inadequate, therefore we are recommending a new maximum basic rate which we consider more satisfactory. We also believe that pensioners' disabilities should be taken into consideration in connection with relief and are recommending that pensions to the extent of 5 per cent be not regarded as income when computing the amount of relief granted.

In various quarters, the use of the term "relief" has been criticized, and it has been suggested that some other phraseology be adopted. The Committee recognizes that there is a certain stigma attached to this term, and is recommending that the term "unemployment assistance" be substituted.

All relief issued by the Department has been on the voucher system. Opinion was almost unanimous in all quarters that this method is unsatisfactory, for many reasons, and we were urged to recommend that a cash system be adopted. It was pointed out that if all goods must be purchased at one store, even though selected by the pensioner, he is deprived of the opportunity of purchasing in the cheapest market. We found that in the city of Montreal, municipal relief is paid in cash and that this system is advantageous to the recipient; in addition to reducing the cost of administration. There is no doubt that in some cases, under the cash system there will be abuses, but we are convinced that such instances will be rare and discretion in any such cases can be exercised to revert to the voucher system whenever thought proper.

It transpired during the inquiry that the Department discontinues the issue of relief in respect of children of pensioners who have reached the age when additional pension is discontinued under the Pension Act, that is 16 and 17 years of age in the case of boys and girls, respectively. Owing to the industrial situation, very few of these children can obtain employment, and it is necessary for their parents to maintain them. In some such instances, certain municipalities refuse to grant relief. A recommendation is therefore being made that the Department continue relief in respect of these children as long as maybe necessary.

The basic rates of the Department include a maximum amount allocated for rental and in the great majority of cases the recipients of relief are tenants. A considerable number, however, own their own homes, but have been unable to pay taxes and mortgage interest. No allowance has been made for these items by the department, except where the property is in danger of forfeiture or foreclosure, and in many cases taxes and interest have accumulated for two or three years. In the case of home owners, it has been urged that current taxes and mortgage interest be paid in lieu of rent, provided that the monthly allowance for rent is not exceeded. We think that the practice now followed is in a large measure discriminatory, and the adoption of the above proposal would have the salutary effect of encouraging thrift and stability.

During the Christmas season a number of pensioners have secured employment, particularly at the Post Office. It has been the policy of the Department to reduce the relief payable by the amount earned in this way, with the exception of an exemption of \$10 per month. We are of the opinion that any casual earnings of this nature for not exceeding thirty days during December and January might be disregarded.

It was widely suggested that the age limit under the War Veterans' Allowance Act be reduced from 60 to 50 years, thus bringing within the provisions of this Act all unemployed veterans over 50 years of age. Another suggestion was that the age limit be reduced to 55, and a third that, in interpreting the



Act, the test of permanent unemployability should not be restricted altogether to physical incompetency, but should include cases where the veteran was industrially unemployable, though from a physical or medical standpoint, more or less sound. Cases were brought to our attention of certain veterans under 60 years of age, who, though not suffering from any recognizable disease, were nevertheless, from an industrial point of view, virtually unemployable. It was also suggested that in the consideration of such cases, the opinion of some representative industrialist, a judge of employability, should be obtained, and if in any case it is certified that the veteran is for all practical purposes unemployable, he should be accorded the benefits of the Act.

In addition to the foregoing, the representative of the Tuberculous Veterans' Association asked that the War Veterans' Allowance Committee be instructed to consider all ex-service men who had been classified as moderately advanced tuberculosis patients, or in whose sputum tubercle bacilli had been found, as permanently unemployable when they are without adequate resources, also that those suffering from spinal, renal and glandular tuberculosis, although the disease is arrested, should be given special consideration. The number of such cases which it was suggested might be included was 2,500.

From information furnished by the War Veterans' Allowance Committee, it appears that not only is the allowance granted to men who have active tuberculosis, but in a number of cases where there is no activity at the time of the application. The latter are cases where the veteran had had an active tuberculous condition, probably advanced, but at the time of the application the condition was apparently arrested or cured. In the process of healing, however, much of the lung tissue had been destroyed, so that, while he was apparently a healed tuberculosis case and there was no evidence of any activity, he was, by reason of the resultant disability, classified as permanently unemployable.

It is quite recognized that arrested tuberculosis cases do find difficulty in obtaining employment, but to regard such men as permanently unemployable would, we think, be unfair even to themselves, and to enlarge the War Veterans' Allowance Act to include all such cases would virtually mean the award of a service pension to those who have contracted tuberculosis since the war.

The War Veterans' Allowance Act was probably the most carefully prepared of any soldier legislation enacted by the Parliament of Canada; not only did a departmental committee, after an extensive review of the situation, discuss the matter for several months, aided by suggestions from the veteran organizations, but a parliamentary committee also considered it in detail. It was pointed out that active service at the front in a large number of instances had resulted in premature aging of the veterans, such aging being considered to average from five to ten years. It was decided that a ten year increase should be the basis of the legislation, consequently, the age limit for eligibility was placed at 60 years, instead of 70, which is the minimum under the Old Age Pension Act. Further, provision was made for the inclusion of those who are permanently unemployable by reason of physical or mental incapacity at a lesser age than 60 years. This privilege has been widely used, and, up to the 30th April, 1935, 3,858 veterans, ranging in age from 32 to 59 years, had been awarded War Veterans' Allowance, of whom 2,125 are still in receipt of the same.

To enact that a man who is out of work at the age of 50 or 55 is permanently unemployable would be to depart from the intention of the Act and would virtually convert any benefits under that Act into general service pensions. A large majority of those who are under 60 years of age and who are out of work, are so situated because of economic and not physical conditions, and it is felt by your Committee that the recommendations contained in this report will,



in large measure, provide the temporary assistance required by those for whom employment cannot readily be found, without branding them as unemployable for the rest of their lives.

We have given very close and earnest consideration to all these requests, and are constrained to the view that it would be unwise to disturb the principle upon which the War Veterans' Allowance Act was based. We find that the administration of the Act is capably and even generously carried out. There are a few border-line cases, where the veterans, although from a medical point of view employable, are definitely unemployable from an industrial point of view and have not been accorded the benefits of the Act. We feel that if members of the War Veterans' Allowance Committee were brought into personal contact with such cases they would adjudge them to be in fact unemployable, and we suggest that a member or members of the committee should periodically visit the various centres in order that this may be accomplished and any possible injustice avoided.

We have given a great deal of consideration to the request that medical and dental treatment be extended to pensioners who require the same in respect of non-pensionable disabilities, and also to their wives and families, when such pensioners are in receipt of relief from the department. It has been represented to us that in a limited number of localities, this aid is refused by the municipality on the ground that it is considered that because the dominion extends relief to these pensioners, the municipality should not be called upon to render medical aid, and that this should be regarded as a Federal responsibility.

Medical treatment is the responsibility of the municipal authorities and we find it difficult to appreciate upon what ground any discrimination, such as that indicated, is logically based. With the limited information at our disposal, we do not feel justified in recommending that the above request be acceded to, but in order that no injustice may be done, in case there may be such discrimination, we think the Department of Labour, under whose jurisdiction dominion relief is administered, should inquire into this whole matter, so that remedial measures may be taken if found necessary.

The attention of the committee was called to the fact that often a pensioner might secure work at wages just about the equivalent of relief, and consequently would lose the medical treatment and clothing benefits accorded those on relief. In these circumstances he would be better off on relief. To avoid the temptation to quit employment and resort to relief we are recommending that in such cases, at the discretion of the department, medical treatment be arranged for through the municipality and necessary clothing supplied by the department.

The position in which the non-pensioner is placed was urged upon us, and it was suggested that the Federal Government should undertake the full responsibility for the maintenance of all ex-service men out of employment, whether pensioners or not, including Imperial ex-service men. We spent many anxious hours in an endeavour to evolve some scheme of relief which would save distress to these men, and at the same time be fair to the public treasury.

It is scarcely necessary to say that the assumption by the Federal Government of such responsibility would involve a very large amount of money. Some of the soldier bodies definitely opposed such an undertaking by the Government, chiefly for the reason that, *prima facie* and constitutionally, the burden of relief in case of unemployment is on the provincial or municipal, and not the federal authority, and that it would have a detrimental effect upon the interests of the veterans generally, and especially upon the pensioner who has suffered as the direct result of the war, if any change were made. In the very exhaustive argument presented by General Ross, there was no indication that it was the express desire of the Canadian Legion, which is the largest veteran body in



Canada, that this responsibility should be assumed by the Dominion Government. But it was strongly urged that, failing employment, we should endeavour to find some satisfactory scheme of maintenance during unemployment.

Due to the limited time at our disposal it was not possible to hold sittings in all parts of Canada, but the city of Verdun was selected as a typical centre where municipal relief is on a lower scale than departmental relief. It was stated by witnesses that there were from 700 to 750 ex-soldiers on relief in that city, apart from pensioners. A majority of those who appeared before us were in that class. It was obvious that these men were undernourished to the point where many would be unable to undertake manual labour, even were this available.

While it is recognized that there must be a dividing line in so far as responsibility is concerned the present situation is that an ex-soldier who saw service in Canada or England only, and who suffered possibly an aggravation of a pre-war disability for which he is in receipt of pension, is eligible to receive departmental relief, while another ex-soldier who spent four years in a theatre of war and underwent the rigours and hardships of front line service is ineligible because he is not in receipt of a pension.

The yardstick by which municipalities are expected to measure the amount of relief issued is the minimum sum on which it is possible for the recipient and his family to provide the bare necessities of life. Unfortunately, in many municipalities another yardstick has to be applied, viz., the financial ability of the municipality. In those cases the amount issued for relief is less than is absolutely necessary for a proper minimum standard of living.

Supplementing to what was presented by soldiers' representatives who appeared before us, or who filed briefs, we consulted many in various walks of life, some of whom occupy high positions in industry, business and finance. We were surprised at the unanimity which we found to exist on the part of almost all, soldiers and non-soldiers alike, that whilst a serious economic question for the Government of the country is involved, nevertheless something ought to be done in any case where an ex-member of the forces is found to be in actual distress.

Notwithstanding this, the proposition that the Federal Government should assume full responsibility for the economic assistance of all unemployed ex-soldiers is one which we hesitate to recommend, especially when it is recognized that the subject of relief, generally, is more or less in the melting pot. There is a large school of thought that a national scheme should be evolved to take care of all who are unemployed, instead of the present system of provincial or municipal administration. That question, however, is one which we were not called upon to investigate.

We are satisfied from all we have seen and heard that something should be done to ameliorate the situation in which many of the non-pensioned veterans find themselves, in various parts of Canada, due to inadequacy of the municipal relief measures in operation. Our considered opinion is, after seeing many of these men and hearing what they and others had to say in connection with their condition, that in places where relief is less than the maximum basic rate of the department, the Federal Government should assume and implement, in cash, the amount of the difference between such rates, in the case of those veterans who served overseas.

We recognize that if our recommendation is implemented, a demand may arise for higher rates to be paid in some cases to civilians on relief, but we believe that the urgency of the situation outweighs this consideration. Additional administrative difficulties will also be involved but we are assured that these can be overcome.

Another class of ex-service men, whose position was stressed before us, is that of the ex-Imperials, particularly those who have come to Canada since



the conclusion of the war. The department at present grants relief to an Imperial pensioner who is in need of same, provided he was domiciled in Canada prior to the 1st December, 1924. We are recommending that this date be extended to the 1st January, 1935. With regard to the Imperial non-pensioners, it was strongly urged upon us that having served in the common cause and being now citizens of Canada, they should be treated on the same basis as Canadian veterans. After much consideration we are recommending that Imperial non-pensioners if domiciled as above, who served in a theatre of actual war should receive the same treatment as Canadian veterans who served overseas insofar as relief is concerned.

It was evident, from the visits made to departmental offices and from information received from administrative officials of districts not visited, that the staff dealing with relief has been cut to such an extent that a proper check on expenditures and a proper control of relief issued is very difficult. In spite of this, the administration has been ably carried on but at the expense of much overwork. The additional work involved in implementing the recommendations made in this report, will necessitate increased staff. It is especially desirable that the department should have a sufficient number of investigators, who can visit the families of those on relief, as a real measure of economy.

In view of the contribution which the Federal Government makes towards municipal relief, we think that the discrimination against pensioners which exists in certain localities, namely, refusal of employment on municipal works, should be discontinued, and that the said pensioners should be granted the same privileges of ordinary citizenship which are extended to civilians on relief. These include the right to such relief work as snow shovelling, sewer construction and other municipal employment. The present attitude of certain municipalities virtually places the pensioner in an inferior position to the man who did not see service during the war.

In conclusion, we wish to emphasize the spirit of steadfastness, fortitude and loyalty which we found to prevail amongst the vast majority of the many veterans with whom we came in contact in the course of our investigation, and this in spite of dire poverty and distress in all too many instances. It is our firm conviction that, in regard to those who left Canada, such assistance should be given as may be required to alleviate the actual distress under which many of them are suffering and to enable them and their families to exist in decency.

We wish to place on record our sincere appreciation of the invaluable assistance which we received from Mr. E. H. Scammell, who acted as Secretary. The intimate knowledge of pension and soldier problems generally, which Mr. Scammell possesses, as the result of many years of experience, saved much time, labour and expense, as he was in a position to direct us to sources of information which otherwise would have required much time and effort to ascertain.

Based on the foregoing remarks, your committee desires to submit the following recommendations. These are divided into two parts, the first covering the finding of employment for ex-service men and the second the matter of relief during unemployment for these men and their families.



## RECOMMENDATIONS

## THE PROBLEM OF EMPLOYMENT

(1) (a) That a commission, preferably voluntary, consisting of three persons, be appointed by His Excellency the Governor in Council for a period of possibly eighteen months, to be known as the Veterans' Assistance Commission, the members of which might be selected as follows:—one by the Canadian Chamber of Commerce, one by joint approval of the Canadian Legion and the Army and Navy Veterans' Association, and the third by the government.

(b) That one member of the commission be appointed as Chairman by the Governor in Council.

(c) That the Chairman be appointed an ex officio member of the commission set up under the Employment and Social Insurance Act.

(d) That to each regional office of the Employment Commission there should be attached an official whose sole duty shall be to seek employment for ex-service men and to guard their interests generally, special attention being given to disability cases. This official should, himself, be a veteran.

(e) That, notwithstanding anything in the Civil Service Act, the Governor in Council, on the recommendation of the Veterans' Assistance Commission, may appoint such staff as may be required by it for the proper performance of its duties in Ottawa and elsewhere.

(2) The following suggestions are submitted as to the activities of the commission in addition to the work of direct placement with employers.

(a) The formation of community centres, such as have proved satisfactory in Great Britain, for the purpose of interesting the unemployed in what might be termed

- (i) Hobby employment,
- (ii) Repair employment  
(boots, clothing, furniture, etc.)
- (iii) Allotment gardening or small community farms,
- (iv) Land settlement,
- (v) Recreational employment,
- (vi) Physical training, etc.

For this purpose, veterans' organizations should be of great assistance.

(b) Numbers of ex-service men might be employed if gold mining operations were carried on extensively in clearing of land, surface work, etc.

(c) The work of authorized reforestation by the Provincial Governments and pulp and paper companies might be suitable for many ex-service men.

(d) Radio license collectors might be appointed from the lists of partially disabled veterans, as this is part time work and could be suitably performed by them.

(e) The commission might make a thorough survey in the principal cities as to the possibility of forming corps of commissionaires along the lines of similar organizations in Britain. If such corps were organized throughout Canada, most unformed positions might well be filled by ex-service men.

(3) That the commission at the conclusion of its term of office might, as a result of its experience, submit to the Governor in Council a report containing suggestions and recommendations towards providing some permanent machinery for the continuation of its work.

(4) That the federal and provincial governments be requested to make provision in all contracts for public works that, whenever available, at least 15 per cent of those employed be ex-service men.



(5) That on all canals, harbour boards or commissions, or other similar works supported by public funds, wherever possible, at least 15 per cent of those employed be veterans.

(6) That the regulations of the Department of Pensions and National Health regarding probational training be more widely utilized and be made applicable to non-pensioners.

(7) That the Canadian National Railways management be asked to investigate the question of seniority of its employees who obtained leave of absence to enlist, with a view to removing just grievances.

(8) That the Postmaster-General be asked to investigate the complaints that the veteran preference is not fully observed in some post offices, that some employees, in addition to their part-time post office positions, are engaged in private occupations, and that during rush periods the permanent part-time employees are not given the temporary full-time jobs which develop.

#### UNEMPLOYMENT ASSISTANCE

(1) In these recommendations, "veteran" means a Canadian pensioner who is in receipt of payment of pension under the authority of the Canadian Pension Commission; an Imperial pensioner who was domiciled in Canada before the 1st January, 1935, and is in receipt of payment of pension by the British Ministry of Pensions, or who was granted a final payment in respect of a permanent disability between 5 per cent and 20 per cent; also any other ex-soldier eligible to receive unemployment assistance under these recommendations.

(2) That the term "relief," as applied to veterans, be discontinued and in place thereof the term "unemployment assistance" be used.

(3) That the present voucher system be discontinued and payment in cash substituted therefor, except that in any case in which the department considers it would be more advantageous to the veteran or his dependents it may be issued in full or in part by voucher.

(4) That the unemployment assistance issued by the department to veterans be not less than the relief issued to the civilian population in the municipalities in which they reside. If the municipal rate is less than the department's maximum basic rate, the latter to apply; provided that if, in the opinion of the department, after a review of the individual circumstances, a lesser sum than the basic rate would be sufficient, such lesser sum shall be issued.

(5) That the maximum basic rate of the department be the equivalent of a 25 per cent pension in the case of a single man without dependents and a 30 per cent pension in the case of a veteran with dependents; this basic rate to include the following minimum amounts for food in the case of those with dependents.

Man and one dependent.....	\$11.50 per month
Man and two dependents.....	15.50 " "
Man and three dependents.....	19.50 " "
With an addition of \$3 per month in respect of each dependent in excess of three.	

(6) That from the amount of unemployment assistance granted by the department, all income of the veteran and his family be deducted with the following exceptions:—

(a) In the case of a disability pensioner a 5 per cent pension shall not be considered as income.



(b) If a member of a veteran's family is employed, only the earnings of such member in excess of \$40 per month shall be considered as income.

(c) Any casual earnings up to \$10 per month shall not be considered as income.

(d) With respect to the months of December and January, any earnings from casual employment, such as special work during the Christmas season in the post office, not exceeding thirty days in all, shall not be considered as income.

(7) That should an ex-member of the Canadian forces who has seen service in a theatre of actual war, or in the British Isles; or an ex-member of the Imperial forces domiciled in Canada prior to the 1st January, 1935, who has seen service in a theatre of actual war during the Great War who is not in receipt of pension, be in receipt of relief from the municipality in which he resides of a lesser amount than the basic rate of the department for unemployment assistance, the department be authorized to supplement municipal relief by a grant of unemployment assistance which would bring the municipal relief and unemployment assistance up to an amount equal to the basic rate of the department, unless a lesser sum is deemed to be sufficient.

(8) That the department issue unemployment assistance in respect of the dependents of pensioners over the pension age limit if relief in respect of similar dependents in the families of civilians is issued by the municipality in which they reside, and in any other case, when, in the discretion of the department, it is deemed advisable so to do.

(9) That if a veteran owns the house in which he is residing, the department be authorized to issue unemployment assistance to cover current taxes and mortgage interest, provided that the sum for both does not exceed the rental allowance granted by the department on a similar house, provided also that if taxes or mortgage interest are in arrears and the current taxes and mortgage interest are less than the rent allowance, the department be authorized to issue additional unemployment assistance for the difference and to apply the same against such arrears.

(10) That, if through provincial, municipal or voluntary effort, schemes are evolved for placing men and their families on small holdings or market gardens, the department be authorized to co-operate, by capitalizing the unemployment assistance which it would normally issue over a period of one, two or three years, or by continuing unemployment assistance in full or in a lesser amount, notwithstanding the fact that the veteran and his family are raising part of their food.

(11) That except in the case of single pensioners without dependents, the department be authorized to make arrangements for the furnishing of such clothing as may be necessary to pensioners and their families who are in receipt of unemployment assistance in any centre where clothing is issued by the municipality to civilians on relief; also that in any other centre where failure to issue clothing to a pensioner and his family would result in distress, the department be authorized to make such arrangements as the circumstances may warrant. The increased allowance for single pensioners should be sufficient along with casual earnings to provide clothing.

(12) That if a pensioner with dependents is working and his income is just about the equivalent of the amount he would receive if he were in receipt of unemployment assistance, which renders him and his family ineligible to be granted medical attention or clothing, the department be authorized to procure for him such medical attention as it may deem necessary through the municipality and to issue such clothing as it may deem advisable in the circumstances.



(13) That the War Veterans' Allowance Committee be requested to arrange for periodical visitation of various centres throughout Canada, by one or more members of the committee, in order personally to interview applicants for War Veterans' Allowance, who are under sixty years of age and who cannot be classified as permanently unemployable from a medical standpoint, but appear to be so from an industrial standpoint, in order to determine whether or not such applicants shall be awarded War Veterans' Allowance.

(14) That in view of the contributions of the Federal Government towards municipal relief and the payment by the department of unemployment assistance, to the obvious advantage of municipalities they be urged to co-operate with the department in the following respects:—

(a) The investigating staff of the municipality to be placed at the service of the department without cost.

(b) Any municipal work made available for recipients of municipal relief to be made equally available for veterans who are in receipt of unemployment assistance from the department.

(c) Any facilities for the supply of clothing or fuel to civilians on relief to be made available at cost to the department for the benefit of veterans entitled to unemployment assistance.

(15) That it be understood that no unemployment assistance shall be issued by the department to an unemployed veteran unless he is registered at an Employment Office or that evidence is produced to the department that work has been sought and is not available. It is considered that if any veteran refuses employment for which in the opinion of medical officers he is medically fit, without valid reason therefor, he should be refused further unemployment assistance.

(16) That as the present staff of the Department of Pensions and National Health, engaged in the administration of relief, is numerically inadequate for the proper conduct of the work and the investigation of the home conditions of applicants, and as the foregoing recommendations will entail the employment of an increased personnel for these purposes, the department be empowered, through the Civil Service Commission, to create such additional positions and to engage such additional staff as may be necessary.

(Sgd.) J. D. HYNDMAN, *Chairman.*

" W. B. WOODS, *Member.*

" C. B. PRICE, *Member.*



## APPENDIX

## WITNESSES WHO APPEARED BEFORE THE COMMITTEE

- Brig.-General Alex. Ross, K.C., C.M.G., D.S.O., V.D.,  
Dominion President,  
Canadian Legion of the British Empire Service League.
- Mr. J. R. Bowler, M.B.E.,  
General Secretary of the Canadian Legion.
- Mr. Richard Myers,  
Hon. Dominion Secretary,  
Amputations Association of the Great War.
- Mr. Richard Turner,  
Secretary, Employment Committee,  
Amputations Association of the Great War, Toronto Branch.
- Mr. S. Stalford,  
Toronto.
- Mr. Robert McLagan,  
Representing Canadian Pensioners' Association of the Great War.
- Mr. C. E. Clendenning,  
Representing the Toronto Branch of the  
Canadian Pensioners' Association.
- Mr. G. Newton,  
Representing the Hamilton Branch of the  
Canadian Pensioners' Association.
- Mr. H. M. Radermacher,  
Representing Originals' Club, Incorporated, Toronto.
- Mr. T. H. C. Morgan,  
Representing Originals' Club, Incorporated, Toronto.
- Mr. John D. Torrison,  
Chairman, Department of Employment,  
York Township, Army and Navy Veterans' Association, Toronto.
- Colonel W. Rhoades, D.S.O.,  
Toronto,  
Soldiers' Aid Commission of Ontario.
- Captain Charles R. Nash,  
Representing Army and Navy Veterans' Association, Toronto.
- Mr. E. Howard,  
Representing British Ex-Service Men, Toronto.
- Mr. H. A. Riley,  
Representing British Ex-Service Men, Toronto.
- Mr. D. L. Harris,  
Representing Canadian Legion Branch No. 256, Toronto.
- Mr. John S. McInnes, Representing Imperial Veterans' Corps, Toronto.
- Captain C. L. Knuth, Representing Imperial Veterans' Corps, Toronto.
- Mr. F. Munday, Representing Employment Service of Canada, Toronto.
- Mr. Harry Strudwick, Secretary, Ontario Plural Unit Veterans' Club,  
Toronto.
- Mr. W. E. Holden, Representing Ontario Plural Unit Veterans' Club,  
Toronto.
- Mr. A. Johnson, Representing Canadian Order of Empire Ex-Service Men.
- Captain W. M. Blackie, Representing the Royal Air Force Association.
- Mr. A. Miller, Toronto.
- Lieut.-Colonel F. J. Picking, Ex-President of the Ontario Command, Canadian Legion.
- Major John Roper, M.C., K.C., Past President, Canadian Legion, Representing Nova Scotia Command of the Canadian Legion.
- Colonel Ralph Webb, President, Manitoba Command, Canadian Legion.



- Captain P. J. Philpott, President, Saskatchewan Command, Canadian Legion.
- Mr. Alex. K. Walker, Dominion Executive Representative, Alberta Command, Canadian Legion.
- Mr. T. A. Barnard, Dominion Executive Representative, British Columbia Command, Canadian Legion.
- Lieut.-Colonel E. G. N. Lidstone, Representing the Ontario Command of the Canadian Legion.
- Major W. C. Lawson, President, New Brunswick Command, Canadian Legion.
- Mr. Richard Hale, Representing the Tuberculous Veterans' Section, Canadian Legion.
- Captain C. E. Gilman, M.C., Dominion Adjustment Officer, Army and Navy Veterans' Association.
- Captain F. H. Morgan, M.C., President, Quebec Command, Canadian Legion.
- Mr. F. A. Doughty, President, Flanders Branch, Canadian Legion.
- Mr. Robert E. Venne, Representing Ex-Service Men's Labour Group, Montreal.
- Mr. Joseph Philipson, Representing Imperial Veterans from Red Cross Hostel, Montreal.
- Mr. Charles Wenham, Farmer, of Bedford, P.Q.
- Mr. George H. Witham, Formerly Secretary, Branch No. 36, Canadian Legion, Vancouver.
- Mr. Walter Parker, Representing Montreal East Branch, Canadian Legion.
- Mr. George W. Hincks, Representing Workers' Ex-Service Men's League.
- Mr. John McKay, Montreal.
- Mr. A. G. Paul, of the Army and Navy Veterans' Association, Montreal.
- Mr. O. F. Thompson, Secretary, Harbour Branch, No. 55, Canadian Legion.
- Mr. Frank Green, Secretary, Lachine Branch, No. 14, Canadian Legion.
- Mr. J. P. Bergeron, President, Branch No. 237, Army and Navy Veterans' Association.
- Mr. Alex. Aiken, Maisonneuve Branch, Army and Navy Veterans' Association.
- Mr. James Butler, Representing Workers Ex-Service Men's League.
- Mr. Thomas Wood, Representing Workers Ex-Service Men's League.
- Mr. Joseph Manning, Montreal.
- Mr. F. C. Stapley, Chairman, Quebec Command, No. 4 Verdun Branch, Canadian Legion.
- His Worship the Mayor of Verdun, Mr. Hervé Ferland.
- Mr. John High, Secretary, Verdun Unit, Army and Navy Veterans' Association.
- Mr. George H. Abbott, Past President, Verdun Branch No. 4, Canadian Legion.
- Mr. Sydney M. Davis, Representing Part-time Postal Employees (Veterans) Verdun.
- Mr. A. H. Johnson, President, Verdun Veterans' Party.
- Mr. G. M. McWilliams, Representing the Office Workers' Association, Montreal.
- Mr. G. V. Orange, Representing Branch No. 16, Canadian Legion.
- Major D. J. Corrigan, D.S.O., M.C., Secretary, Quebec Command, Canadian Legion.
- Colonel H. E. Pense, Kingston, President, 21st Battalion Association.
- Dr. E. M. MacPherson, Representing Zone No. 1, Ontario, Canadian Legion.
- Mr. Charles Turner, Secretary, United Veterans' Open Forum, Windsor.
- Mr. H. R. Ede, M.M., President, Disabled Veterans' Association, Vancouver.











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